

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTERS	<input type="checkbox"/>	DATE	<u>December 12, 2007</u>
MOTOR CARRIER MATTERS	<input type="checkbox"/>	DOCKET NO.	<u>2007-243-WS</u>
UTILITIES MATTERS	<input checked="" type="checkbox"/>		<u></u>

SUBJECT:

DOCKET NO. 2007-243-WS - Application of Harbor Island Utilities, Incorporated for Approval of a New Schedule of Rates and Charges for Water and Sewer Service Provided to Residential and Commercial Customers in Harbor Island, Beaufort County - A Hearing was Held on November 7, 2007. This Matter is Ready for Final Disposition.

COMMISSION ACTION:

In this water and sewer rate case, I would note that the parties have agreed to accept ORS's accounting and pro forma adjustments, and have further agreed that the original requested increase in annual water and sewer revenues of \$88,486 should be reduced to \$71,284. This produces an operating margin of 10.60%. Further, the parties have agreed upon rates that produce this reduced revenue. I believe that the evidence presented to the Commission supports the reduced revenue figure, the proposed operating margin and the proposed rates. The proposed rates are just and reasonable, while allowing the Company to earn a reasonable operating margin. Accordingly, Mr. Chairman, I move that we approve the Settlement Agreement, which will result in new rates for service rendered on or after January 1, 2008. Further, I move that the Company be required to file a performance bond in the amount of \$215,000 for water and \$145,000 for sewer services by January 1, 2008.

PRESIDING	<u>Hamilton</u>	Session:	Regular
		Time of Session	<u>12:00 N</u>
	MOTION	YES	NO
			OTHER

CLYBURN	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	APPROVED	<u></u>
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	APPROVED STC 30 DAYS	<u></u>
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	ACCEPTED FOR FILING	<u></u>
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DENIED	<u></u>
MITCHELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	AMENDED	<u></u>
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	TRANSFERRED	<u></u>
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	SUSPENDED	<u></u>
				CANCELED	<u></u>
				SET FOR HEARING	<u></u>
				ADVISED	<u></u>
				CARRIED OVER	<u></u>
				RECORDED BY	<u>SCHMIEDING</u>